1330 Connecticut Avenue, NW Washington, DC 20036-1795

202 429 3000 main www.steptoe.com



Pantelis Michalopoulos 202 429 6494 pmichalo@steptoe.com

October 25, 2013

Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re: Proposed Merger of Media General Communications Holdings, LLC and New Young Broadcasting Holding Co., Inc., MB Docket No. 13-191

Dear Ms. Dortch:

Through this letter, DISH Network L.L.C. ("DISH") submits an objection to the proposed merger of Media General Communications Holding, LLC ("Media General") and New Young Broadcasting Holding Co., Inc. ("Young"). In retransmission negotiations with DISH, Media General has attempted to extend the retransmission terms it demands for its stations to the Young stations, too. This conduct:

- may reflect improper coordination between the two companies, as the two applicants are still separate competitors;
- constitutes a breach of the duty to negotiate in good faith, as DISH has pled in a Verified Retransmission Complaint filed on October 18, 2013 with the Commission; and
- shows a propensity to engage in further anticompetitive behavior that is relevant to the Commission's public interest evaluation.

Media General controls licenses for 18 broadcast stations, of which 17 are affiliated with one of the four major networks and 6 operate in the top 40 markets. DISH had an agreement with Media General that extended to all of these stations. That agreement expired on September 30, 2013. DISH has been trying to negotiate an extension with Media General. During the course of

¹ DISH Network L.L.C., Verified Retransmission Complaint, MB Docket No. 12-1 (filed Oct. 18, 2013) ("Verified Retransmission Complaint").

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these negotiations, however, Media General has informed DISH that it will not agree to an extension unless the terms demanded by Media General also extend to Young's 14 broadcast stations upon consummation of the merger.² The requested extension of the terms to Young moreover marks a departure from the previous and now expired agreement between Media General and DISH. This demand comes despite the fact that DISH and Young have a valid, binding contract that governs their rights and obligations and does not expire for more than a year.

Unless they receive the requisite regulatory approvals to merge, and until they merge, Media General and Young are separate companies that compete with one another.³ Media General's demand suggests a conclusion on the part of Media General that the terms it is demanding are more onerous to DISH than the terms set forth in the Young agreement. This in turn raises the question of what information has been exchanged between the two companies. What does Media General know about the Young terms and how does Media General know it? It also raises the important question of whether Media General and Young are coordinating Media General's negotiations with DISH.

The Commission should therefore request information on all communications between the applicants regarding retransmission agreements and negotiations with DISH in particular, and regarding retransmission strategy in general, and any documents relating to an expectation of higher retransmission fees as a result of the merger, and in particular the possibility of extracting higher fees for the Young stations. If this information proves the merger to be primarily a device for achieving higher fees, the Commission should designate it for a hearing. At a minimum, the Commission should condition the proposed merger on baseball-style arbitration and a standstill provision in the event of retransmission impasses, modeled on the corresponding condition imposed in NBC-Comcast.⁴

In summary, DISH believes that Media General's conduct raises important issues that are relevant to whether the Commission should approve the merger. The Commission should closely examine Media General's conduct by either designating this merger application for a hearing or asking searching questions. It should also condition the conduct of the merged company as indicated above.

² *Id.* at 7-8.

³ The relevant geographic retransmission markets include not only the local markets, where each network-affiliated station has no perfect substitutes, but also the national market where large broadcast groups do compete with one another.

⁴See Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc., *Memorandum Opinion and Order*, 26 FCC Rcd. 4238, 4260 ¶ 60 (2011).

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Sincerely,

Pantelis Michalopoulos Christopher Bjornson

Counsel to DISH Network Corporation

CERTIFICATE OF SERVICE

I hereby certify that, on this 25th day of October 2013, a copy of the foregoing Letter was filed electronically with the Commission by using the ECFS system and that a copy of the foregoing was served upon the parties below via First Class† and/or electronic mail*:

Best Copy & Printing, Inc.* 445 Twelfth Street SW Washington, DC 20554 fcc@bcpiweb.com

Evan Morris*
Video Division, Media Bureau
Federal Communications Commission
445 Twelfth Street SW
Washington, DC 20554
evan.morris@fcc.gov.

Scott R. Flick*†
Pillsbury Winthrop Shaw Pittman LLP
2300 N Street, NW
Washington, DC 200037
Scott.flick@pillsburylaw.com
Counsel to Media General and Young
Broadcasting

/s/ Christopher Bjornson Christopher Bjornson